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Foreign CROPS AND MARKETS

VOLUME 59 NUMBER 5

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FOR RELEASE

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UNITED STATES DEPARTMENT OF AGRICULTURE
OFFICE OF FOREIGN AGRICULTURAL RELATIONS
WASHINGTON 25, D.C.

LATE NEWS

The rate of operations in Spain's cotton spinning mills during the next 5 or 6 months may be somewhat higher than the low rate in the early part of 1949. Power resources are slightly improved and a trial arrangement has been established with 5 United States firms for importation of 10,000 bales a month for 6 months. The short-term credit will become a revolving fund provided re-payments can be made regularly. Price and rationing controls were removed by the Government on July 1 for a trial period and new regulations were issued on that date for distribution of raw cotton.

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The first official estimate places Egypt's 1949 cotton acreage at 1,747,000 acres, representing an increase of nearly 17 percent over last year's final estimate of 1,496,000 acres. Private forecasts made earlier place the new crop at about 2,085,000 bales (of 500 pounds gross). This is 13.6 percent higher than the final official estimate of 1,836,000 bales for 1948 and indicates an average yield almost as high as last year's near-record of 589 pounds per acre. Production of cotton with a staple length of 1-1/4 inches and longer is believed to have increased from approximately 735,000 bales in 1948 to 1,260,000 in 1949 while the shorter staples decreased from 1,100,000 to 825,000.

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Philippine output of abaca, hand-stripped and decorticated, was 286,105 bales for the first 6 months of 1949, according to Douglas M. Crawford, Agricultural Attache, American Embassy, Manila. Production for the same period of 1948 was 365,818 bales. Total 1949 output is expected to be around 600,000 bales, or approximately the same as 1948. Prices of J1 grade abaca have fallen from a high of P68 a picul of 139 pounds (24.46 U.S. cents a pound) in January to the current P51.50 (18.52 U.S. cents a pound).

(Continued on Page 129)

FOREIGN CROPS AND MARKETS

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WORLD 1949 FILBERT FORECAST NEAR RECORD 1/

The 1949 preliminary forecast for filbert production in Italy, Spain, Turkey, and the United States, the leading commercial producing countries, is 136,000 short tons, unshelled basis, compared with 102,340 tons (revised) in 1948 and 112,200 tons in 1947. The forecast, the third largest in the last quarter of a century, exceeds the 5-year (1943-47) average of 113,624 tons by 20 percent and the 10-year (1938-47) average of 103,068 tons by 32 percent.

Expected production in each producing country is larger than that of the 1948 season. In the United States, the smallest producer of the 4 countries, an all-time high is forecast. In Turkey, the fourth largest crop on record is forecast. In Italy and Spain, better than average crops are in prospect.

The winter weather in most of the countries caused some concern about the probable crop. In the Sicily and Naples districts of Italy, heavy snows and cold weather in February-March were reported to have done considerable damage, but as the season advanced it was discovered the damage was over-estimated. In Spain, the drought of the previous year and the relatively small quantity of winter moisture gave growers considerable concern. The rains which finally came in April-May were at first thought to be too light to do much good, but appear to have provided sufficient moisture to support a crop nearly twice that of the previous one. In Turkey, the winter and spring weather was very satisfactory. Growers were very optimistic and from some sources estimates of a near record crop were heard. The optimism gradually gave way to a more normal figure. There is some reason to believe that even the present forecast may be lowered in view of the dry weather, the extent of which has not yet been learned.

As the 1949-50 marketing season draws to a close it is estimated that remaining stocks in Italy, Spain, and Turkey total about 12,000 short tons, unshelled basis, from the 1948 harvest and 400 tons from 1947 in Turkey. Spain is estimated to hold 7,000 tons and Italy, the balance. According to available information, Turkey was able to dispose of its entire 1948 harvest by late spring. The carry-over stocks are the lowest in some years and represent about 12 percent of the 1948 harvest.

Official export statistics for the foreign countries, as has been the case each year since 1939, are not yet available. On the basis of trade estimates, it appears about 52,000 short tons, unshelled basis were exported by the 3 Mediterranean countries, or about 54 percent of the 1948 harvest.

1/ A more extensive statement may be obtained from the Office of Foreign Agricultural Relations.

Filberts, unshelled: Estimated production in specified countries, 1949 with comparisons.

(Foreign production rounded to nearest 100 short tons.)

Year	Italy	Spain	Turkey	Mediterranean Basin total	United States unshelled	World total
	Short tons	Short tons	Short tons	Short tons	Short tons	Short tons
Average:						
1943-47	22,000	25,000	59,400	106,400	7,224	113,624
1938-47	19,800	24,000	53,700	97,500	5,568	103,068
Annual:						
1939	22,000	24,200	82,500	128,700	3,890	132,590
1940	19,600	22,000	27,500	69,100	3,210	72,310
1941	10,700	20,900	33,000	64,600	5,750	70,350
1942	19,100	19.800	68,800	107,700	4,270	111,970
1943	15,400	17,600	60,500	93,500	7,030	100,530
1944	21,300	38,000	52,800	112,100	6,520	118,620
1945	15,700	18,000	33,000	66,700	5,320	72,020
1946	47,800	18,200	90,000	156,000	8,450	164.450
1947	9,900	33,000	60,500	103,400	8,800	112,200
1948 1/	26,400	2/ 14,500	55,000	2/ 95,900	2/ 6,440	2/ 102,340
1949 1/	28,600	25.300	71,500	125,400	10,680	136,080

1/ Preliminary.

2/ Revised.

Office of Foreign Agricultural Relations. Prepared or estimated on the basis of official statistics of foreign governments, reports of U. S. foreign service officers, results of office research and other information.

Turkey was the largest exporter with an estimated 32,000 short tons or 58 percent of the 1948 harvest in Turkey. The United Kingdom was the largest buyer of filberts in all 3 Mediterranean countries. The United States purchased a substantial tonnage of shelled Turkish filberts and very little unshelled Italian filberts. The international trade in filberts was still below an average prewar year primarily because of the absence of Germany from the markets and because of exchange difficulties in other European countries. The Turkish filberts continued to enjoy price advantages over those in Italy and Spain. The Spanish subsidies enabled exports to the United Kingdom and other countries. The removal of import restrictions on most Mediterranean nuts by the British in May brought considerable activity to the nut markets of Italy, Spain, and Turkey.

The outlook for the 1949-50 export season is at present uncertain due to the large production, tightening of foreign exchange, the question of the British pound sterling, and marketing policies of Spain and Turkey with regard to the new crop. The record United States tree-nut crops are expected to substantially reduce United States imports unless foreign prices fall to very low levels.

While much too early to forecast the olive oil output in the Mediterranean Basin, it is generally conceded that a good one is in the making, and that the use of nuts for oil will be restricted during 1949-50.

On the brighter side is the fact that Germany, in a small way at least, is coming back into the international nut market. The removal of import restrictions by the British on Mediterranean nuts was a big boost to exports; and, unless the economic situation in Britain requires rescinding this move, will aid exports again in 1949-50. The Mediterranean almond crop is again small, which will reduce the possible competition from that nut. The Turkish Government has taken a firm stand against third-party transactions under which a substantial tonnage was moved to the United States in the season now closing.

(Import table on following page)

UNITED STATES: Imports, for consumption, of shelled and unshelled filberts from specified countries, 1947-48, with comparisons

(Crop year basis, September-August)

Year	Italy	Spain	Turkey	Other countries	Total
	Short tons	Short tons	Short tons	Short tons	Short tons
			SHELLED		
Average:					
1943-47	70	351	2,911	40	3,372
1938-47	78	193	1,669	24	1,964
Annual:					
1943-44	0	559	17	0	576
1944-45	0	1,191	2,989	0	4,180
1945-46	178	6	4,231	180	4,595
1946-47	133	1	4,921	5	5,060
1947-48	39	0	2,398	11	2,448
1948-49 1/	42	0	3,078	29	3,149
			UNSHELLED		
Average:					
1943-47	393	62	2	0	457
1938-47	308	31	1	0	340
Annual:					
1943-44	0	6	0	0	6
1944-45	0	16	0	0	16
1945-46	361	220	8	0	589
1946-47	1,600	69	0	0	1,669
1947-48	3	0	0	0	3
1948-49 1/	13	0	0	0	13

1/ 9 months, September 1948 through May 1949

Compiled from official records of the Bureau of the Census.

CHERRY CROP UP 10 PERCENT IN PRINCIPAL PRODUCING COUNTRIES

The 1949 indicated production of cherries in the principal producing countries of the world is estimated to be a little more than 1 million tons, which is 10 percent above the 1948 crop of 919,000 and 1 percent below the prewar average of 1,020,000.

The United States with production estimated at 224,720 tons, is the world's largest cherry producer, and in 1949 produced 22 percent of the estimated world total compared with 23 percent produced in 1948. Production in the United States consists of a record sweet cherry crop of 123,860 tons, 56 percent above the previous year's crop of 79,620. Crops in Washington, Oregon and California are record large with 38,200, 23,400 and 38,700 tons respectively. The sour cherry crop estimated at 100,860 tons is 25 percent below the 1948 crop of 134,760. Michigan and New York with 53,600 and 15,500 tons respectively have produced about three-fourths of the 1949 crop.

The Canadian crop of 10,100 tons is 3 percent higher than the 1948 crop of 9,800 and almost twice the size of the prewar average of 5,250. Cherries are grown in Ontario and British Columbia. Production in the former province is estimated at 5,425 tons for 1949 compared with 6,526 for 1948, and in the latter at 4,675 in 1949 compared with 3,275 tons for the previous season.

The European estimated production of 727,828 tons is 13 percent above the 1948 crop of 645,141 but 11 percent lower than the 815,387 produced prewar. The largest producer of cherries in Europe is Germany. Production, because of good growing conditions, is indicated to be 120,000 tons, 8 percent higher than the 1948 crop of 110,865 and 26 percent below the prewar average of 163,240.

Italy, the second largest European producer, has an estimated crop of 105,523 tons, 22 percent higher than the 1948 yield of 86,398 and 30 percent higher than the prewar average of 81,422. The most important cherry producing centers in Italy are Avellino, Verona and Modena provinces, which produced 50 percent of the crop in 1947 and 1948 and 54 percent of the 1949 crop. The 1949 cherry crop, is of good quality, being free of the defects of the 1948 crop, and is one of the best crops of the postwar period. One of the most important maraschino producing provinces in Italy was Zara, in Dalmatia, but this area has been transferred to Yugoslavia under the Italian Peace Treaty. During 1948, 39 percent of the total brined cherries which Italy exported were purchased by the United States. The United Kingdom took 15 percent and France and Canada, 12 percent each, while the remainder was purchased in small quantities by other countries.

Growing conditions in Austria are very favorable and the cherry crop is estimated at 20,000 tons, about 5,000 more than were produced last year and a little more than prewar.

CHERRIES: Production in specified countries,
averages 1935-39 and 1940-44, annual 1945-49

Continent and country	Average 1935-39	Average 1940-44	1945	1946	1947	1948	1949 1/
	Short tons	Short tons	Short tons	Short tons	Short tons	Short tons	Short tons
NORTH AMERICA							
Canada	5,250	6,925	5,925	8,450	7,475	9,800	10,100
United States	149,094	168,550	149,020	229,620	173,140	214,380	224,720
Total	154,344	175,475	154,945	238,070	180,615	224,180	234,820
EUROPE							
Austria	17,624	19,510	22,126	18,957	33,856	15,759	20,000
Belgium	15,477	12,107	14,261	20,668	27,557	22,046	27,558
Czechoslovakia	57,776	29,677	20,787	58,438	69,412	76,663	75,000
Denmark	810	571	514	525	788	600	750
France	55,784	43,960	51,740	74,784	103,616	64,187	75,000
Germany	163,240	154,430	154,990	133,291	129,681	110,865	120,000
Hungary	12,000	10,287	10,500	9,000	12,897	14,330	23,369
Italy	81,422	83,693	105,059	101,412	113,707	86,398	105,523
Luxemburg	340	530	600	898	1,194	800	900
Netherlands	11,740	9,704	11,409	16,534	19,844	23,699	25,000
Norway	5,849	4,197	3,093	5,564	4,587	5,083	3,500
Poland	57,523	54,030	54,042	46,476	55,771	45,000	50,000
Rumania	213,584	101,001	44,092	28,660	12,637	7,716	13,228
Spain	32,102	36,688	33,826	35,353	20,000	30,000	40,000
Sweden	10,435	7,320	4,400	4,400	6,614	7,716	8,000
Switzerland	25,243	38,801	18,739	44,092	69,445	47,399	50,000
United Kingdom	12,667	20,317	19,600	26,768	30,128	26,880	25,000
Yugoslavia	41,771	69,100	63,054	58,300	63,300	60,000	65,000
Total	815,387	695,923	632,832	684,120	775,034	645,141	727,828
ASIA							
Lebanon	2/	2/	324	331	330	330	330
Syria	3/ 146	3/ 1,988	2,163	2,199	2,102	2,072	2,000
Turkey	35,925	32,164	36,886	40,747	22,321	33,596	30,000
Japan	5,496	5,456	5,300	5,700	5,200	5,500	5,500
Total	41,567	39,608	44,673	48,977	29,953	41,498	37,830
SOUTH AMERICA							
Argentina	4/ 3,748	4,415	1,102	2,039	1,962	2,000	2,000
Chile	4/ 992	450	583	560	882	937	900
Total	4/ 4,740	4,865	1,685	2,599	2,844	2,937	2,900
OCEANIA							
Australia	3,953	4,906	4,698	3,583	4,459	4,500	5,000
New Zealand	279	391	273	227	302	252	300
Total	4,232	5,297	4,971	3,810	4,761	4,752	5,300
World total	1,020,270	921,168	839,106	977,576	993,207	918,508	1,008,678

1/ Preliminary. 2/ Included with Syria. 3/ Includes Lebanon. 4/ Less than 5 years.

Office of Foreign Agricultural Relations. Prepared or estimated on the basis of official statistics of foreign governments, reports of U.S. Foreign Service officers, results of office research and other information. Estimates of countries having boundary changes have been adjusted to postwar boundaries.

The Rumanian crop of 13,228 tons is 71 percent more than the 1948 crop of 7.716. In Hungary a record crop of 23,369 tons is forecast, compared with 14,330 in 1948 and 12,000 prewar.

Cherries in Norway have suffered from cold rainy weather during the blossoming time and production is indicated to be 3,500 tons, 31 percent below the previous year's crop of 5,083, and 40 percent below prewar.

A good crop is indicated for the Netherlands. It is estimated at 25,000 tons, as compared with 23,699 for 1948 and 11,740 prewar (1935-39).

France has an indicated crop of 75,000 tons. Yield was good but quality of cherries picked in May was rather poor because of rain. In Belgium the crop indicated to be 27,558 tons, is 25 percent higher than the 1948 crop of 22,046 and 78 percent above the prewar average of 15,477 tons.

Cherry production in the United Kingdom will probably be around 25,000 tons as compared with 26,880 for 1948 and about twice the size of the prewar crop of 12,667.

Turkey is the largest producer in the Asiatic area; the outturn in 1949 indicated to be 30,000 tons, 11 percent below the crop in 1948 of 33,596 and 16 percent below the prewar average of 35,925.

Argentina and Chile will produce around 3,000 tons, or the same as last season. Australia has an indicated crop of 5,000 tons.

WORLD PEACH CROP LARGER THAN IN 1948

World production of peaches for 1949 is indicated to be 113.0 million bushels, 15 percent higher than the 1948 crop of 98.7 million and 29 percent larger than the prewar (1935-39) average of 87.4 million.

The United States, with an estimated crop of 76.2 million bushels, will produce 67 percent of the indicated world total in 1949 while a crop of 65.4 million in 1948, produced 66 percent. Distribution of the 1949 and 1948 crops are very similar. Larger crops in prospect in California and Washington and above average prospects in Colorado, give the Western States about 57 percent of the United States production for 1949. Canada's crop of 2.0 million bushels is 11 percent above the 1948 crop of 1.8 million and about double the prewar average 1.0 million. Peaches are grown only in 2 provinces of Canada, namely Ontario and British Columbia, with 1,226,000 bushels and 799,000 respectively. Production of peaches in Mexico will probably be 2.3 million bushels, the same as in 1948. Bearing trees are equal to those of the previous year.

PEACHES: Production in specified countries, averages 1935-39 and 1940-44, annual 1945-49

Continent and country	Average 1935-39	Average 1940-44	1945	1946	1947	1948	1949 1/
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
NORTH AMERICA							
Canada	1,023	1,452	1,566	2,145	1,681	1,760	2,025
Mexico	1,410	1,941	2,275	2,069	2,195	2,342	2,342
United States	56,478	64,173	81,548	86,643	82,270	65,352	76,250
Total	58,911	67,566	85,389	90,857	86,146	69,454	80,617
EUROPE							
Austria	130	88	150	162	60	43	100
Czechoslovakia	114	20	16	134	101	80	100
France	2,989	3,887	2,764	4,688	5,236	2,991	4,500
Germany	1,034	586	800	900	570	393	600
Greece	433	444	384	400	597	510	500
Italy	11,034	11,245	9,726	10,150	10,747	8,772	9,186
Netherlands	45	76	86	145	114	101	115
Spain	2,646	3,110	3,489	3,297	1,600	3,000	3,300
Yugoslavia	685	1,308	925	1,541	1,720	954	1,500
Total	19,110	20,764	18,340	21,417	20,745	16,844	19,901
ASIA							
Lebanon	2/ 18	2/ 68	184	161	132	150	150
Syria	3/	3/	57	56	51	41	50
Turkey	400	375	355	430	315	264	265
Japan	2,183	2,292	1,398	1,515	1,121	1,470	1,500
Korea	229	284	174	189	139	182	200
Total	2,830	3,019	2,168	2,351	1,758	2,107	2,165
SOUTH AMERICA							
Argentina	4/ 2,896	4,824	7,987	6,467	6,429	6,500	6,500
Chile	4/ 725	1,199	1,000	276	253	266	275
Total	4/ 3,621	6,023	8,987	6,743	6,682	6,766	6,775
AFRICA							
Union of South Africa	440	397	429	615	385	400	500
Tunisia	4/ 46	113	115	124	138	140	140
Total	486	510	544	739	523	540	640
OCEANIA							
Australia	2,212	2,254	2,095	2,432	2,962	2,500	2,500
New Zealand	241	217	303	211	428	459	450
Total	2,453	2,471	2,398	2,643	3,390	2,959	2,950
World total	87,411	100,353	117,826	124,750	119,244	98,670	113,048

1/ Preliminary. 2/ Includes Syria. 3/ Included with Lebanon. 4/ Less than 5 years.

Office of Foreign Agricultural Relations. Prepared or estimated on the basis of official statistics of foreign governments, reports of U.S. Foreign Service officers, results of office research and other information. Estimates in original units of approximately one bushel in the following countries: Australia, Canada, United States, New Zealand, and South Africa. In other countries original estimates, mostly in metric tons, converted to bushels of 48 pounds. Estimates of countries having boundary changes have been adjusted to postwar boundaries.

COMMODITY DEVELOPMENTS

TOBACCO

ANGOLA'S TOBACCO PRODUCTION AND IMPORTS HIGHER; EXPORTS DECLINE

Angola's 1948-49 tobacco crop is estimated at 25 percent above the 1947-48 harvest, according to the American Consulate in Luanda. Imports of unmanufactured tobacco in 1948 were 125 percent higher than in 1947, but exports were 40 percent below the volume shipped in 1947.

The country's 1948-49 tobacco crop, now being harvested, is placed at about 5,500,000 pounds, as compared with 4,400,000 pounds in 1947-48 and 2,480,000 pounds in 1946-47. Approximately 15,000 acres are planted to tobacco annually. The crop is planted from December to March and the bulk of it harvested during July. Leaf production is confined largely to the Provinces of Luanda, Huila and Malange.

Imports of unmanufactured tobacco in 1948 totaled 281,500 pounds. This compares with 125,100 pounds in 1947 and 212,100 pounds in 1946. Mozambique supplied 229,000 pounds, or 81 percent of Angola's unmanufactured tobacco imports in 1948. The United States supplied only 27,400 pounds in 1948, which was 75 percent below the 112,400 pounds supplied in 1947. The smaller volume of imports from the United States is attributed to an accumulation of United States flue-cured leaf remaining from previous purchases. Other sources of supply in 1948 include British West Africa and the Union of South Africa.

Angola's 1948 exports of unmanufactured tobacco totaled 909,760 pounds, as compared with 1,520,000 pounds in 1947 and 3,078,000 in 1946. During the 5-year period, 1941-45, exports averaged 1,015,000 pounds annually. Portugal took 430,100 pounds or 47 percent of the country's unmanufactured tobacco exports in 1948. This compares with 1,036,200 pounds or 68 percent in 1947. Other outlets for Angola's unmanufactured tobacco in 1948 include Tangier, Sao Tome, Mozambique and Ireland. In addition to unmanufactured tobacco, Angola in 1948 exported 297,200 pounds of manufactured tobacco products.

CEYLON'S CIGAR TOBACCO ACREAGE MUCH LARGER

Ceylon's 1948-49 cigar tobacco acreage is reported to be over 500 percent above 1947-48, according to the American Embassy in Colombo. The total area planted to tobacco, however, is about the same as in 1947-48, because the increase in planting of cigar types was compensated for by reductions in the planting of most other types.

The country's 1948-49 cigar tobacco acreage is officially reported at 3,950 acres as compared with 650 acres in 1947-48. This large increase in cigar tobacco acreage appears to be partly due to the high prices charged for imported cigars which retail at 65 rupees ($19.61) to 80 rupees ($24.13) per box of 25. These high prices result from the heavy duty levied on imported cigars. Substitution of cigar types for chewing tobacco types, the export and domestic demand for which is rapidly declining, is another reason given for the increase. It is reported that the demand for domestically-made cigars, although they are of very inferior quality, is increasing. These cigars sell from 6 rupees ($1.81) to 11 rupees ($3.32) per box of 25.

The total area planted to tobacco in 1948-49 is officially estimated at 10,648 acres, which is the same as reported for 1947-48. The 1948-49 acreage by types is as follows: chewing and cigar, 5,800 acres; cigar, 3,950 acres; cigarette, 523 acres, and chewing 375 acres.

AUSTRALIAN TOBACCO GROWERS' COOPERATIVE TO BUILD MODERN TOBACCO FACTORY

The North Queensland Tobacco Growers' Cooperative Association, which has operated a small tobacco factory since early in 1948, now plans to build a large modern factory, the American Embassy in Sydney reports.

Early in 1948 this Association started to manufacture tobacco in a small shed with primitive, hand-operated machinery. At the beginning the plant had a weekly capacity of about 200 pounds of tobacco. The capacity has expanded to 1,400 pounds per week and the Association hopes that it shortly will reach an output of 2,000 pounds a week. Recently, a concrete building of 1,400 square feet was built and machinery for the manufacture of cigarettes, flake cut tobacco and native plug tobacco was ordered. Arrangements are now being made for the erection of a bonded warehouse for the storage of leaf.

The North Queensland Tobacco Growers' Association plans to purchase a site suitable for a permanent large scale factory. At a recent meeting the Association decided to ask the Queensland Government for a loan to build and equip this factory. The loan would be for up to £ 250,000 ($802,500), if necessary, and the factory would be capable of processing the whole production of the Mareeba-Dimbulah district in North Queensland. The Association also carried a motion for retaining 5 percent of the gross value of each member's 1948-49 crop for 2 years in order to finance the purchase of leaf and factory machinery. This means that Association members will contribute between £ 10,000 ($32,100) and £ 15,000 ($48,150) in 1949. The loan will be repaid as leaf is manufactured and it is expected that payments will be completed in 2 years.

SOUTH KOREA'S 1949 TOBACCO CROP FORECAST HIGHER

South Korea's Tobacco Monopoly Bureau tentatively forecasts the 1949 tobacco crop at 17 percent above the 1948 harvest, according to the American Embassy in Seoul.

The country's 1949 tobacco crop is forecast at 54 million pounds from 49,000 acres, as compared with the 1948 harvest of 45.9 million pounds from 38,275 acres. The current flue-cured crop is forecast at 15.5 million pounds from 13,360 acres. The remainder of the crop will be made up of light and dark native types.

The weather to date, a mild winter and a relatively cool spring with scattered early rains, is considered ideal for the tobacco crop. Supplies of chemical fertilizers are reported to be larger this season than in 1948 when only about one-third of the needed amount was available to tobacco growers. The Monopoly Bureau reports that despite the customary shortage of spraying equipment, seed beds were adequately treated. According to the Embassy, plants in the field are not treated with insecticides as this is thought to detract from the taste of the leaf.

TROPICAL PRODUCTS

ETHIOPIA'S 1948-49 COFFEE CROP LARGER

Ethiopia's 1948-49 coffee crop is estimated at 500 thousand bags, compared with 420 thousands bags in 1947-48, 335 thousand bags in 1946-47, and an annual average prewar, 1935-39, production of 345 thousand bags.

Exports in 1948 totaled 258 thousand bags, slightly larger than 1947 exports of 245 thousand bags, but still less than annual average prewar exports of 263 thousand bags. Present indications are that 1949 exports will substantially exceed the 1948 total, according to the American Embassy in Addis Ababa.

Coffee has been the principal export crop of Ethiopia for many centuries. Whether or not, as legend has it, the tree was first discovered in the Ethiopian province of Kaffa and thereby derived its name, provincial records indicate that the Ethiopians shipped coffee abroad 600 years ago.

The best Ethiopian coffee is grown in Harrari in the southeastern part of the country. The long shiny blue-green bean of the Harrari variety is well known as a blending coffee in Europe and the United States. The bulk of it comes from small peasant holdings. All other varieties in the country are classed together as Abyssinian coffee. These types are found in semi-wilderness throughout western Ethiopia. Abyssinian coffee is usually exported under the name of the province in which it is grown. About two-fifths of Ethiopia's coffee exports are of the Harrari variety and the remaining three-fifths Abyssinian. The total number of coffee trees in Ethiopia is estimated at 40 million, and the yield per tree averages close to 1½ pounds of green coffee.

SIERRA LEONE'S CACAO PRODUCTION INCREASES

In 1948, Sierra Leone exported 3,090,000 pounds of cacao beans, more than twice as much as in any previous year. This compares with 1947 exports of 985,000 pounds and annual average prewar, 1935-39, exports of 765,000 pounds. Production is expected to increase gradually over the next few years and reach a goal of 22 million pounds annually by 1955, according to the American Consulate General in Nigeria.

Until the last few years, cacao was a minor crop in Sierra Leone. There were only a few plantations, and the cacao beans were small and relatively low in grade. Cacao plantations were neglected during the war years because of a lack of shipping space for exports. However, these plantations have been rehabilitated, and extensive cacao plantings are now under way. The Sierra Leone Government is urging the planters to improve the quality of their cacao beans.

LIVESTOCK AND ANIMAL PRODUCTS

WORLD WOOL MARKETS FIRM AT CLOSE OF 1948-49 SEASON

The major wool markets of the world closed the 1948-49 season firm after regaining about 10 percent of the drop in prices experienced early this spring. The firmness shown in the markets at the close of the old season, together with the higher reserve prices next season for Dominion merino wool announced by the U.K.-Dominion Joint Organization, indicates that wool prices for the 1949-50 wool season, which gets well under way in September, will open as high or possibly slightly higher than the recent closings.

The new reserve prices announced by J. O. will operate from August 29, 1949 with the higher prices applying principally to merino wools as the average of reserve prices for 50's and lower qualities will remain unchanged. For Australia, the average over-all increase for the 1949-50 season will be about 7½ percent, ex store greasy, over the past season. In South Africa, the over-all increase will be about 10 percent (excluding Karakuls). In New Zealand, where cross-breds predominate, there is to be no significant change in the average over-all level for greasy and slipe wool.

In Argentina and Uruguay, price levels are less certain for the new season which does not get underway until October. Considerable old clip wool is still being sold in these countries. With these two countries as the principal source of between season wool, prices have shown a moderate recovery in recent weeks and considerable wool is now moving.

The Bradford wool market, which serves as a barometer of world trading in wool, is reflecting the firm prices at recently improved levels, at which the major markets closed the 1948-49 wool-selling season. Spot buying and business in wool tops, to cover the interval before wool from the next season becomes available, has been strong enough to test the firmness of prices. Advance commitments on tops are not being made, as topmakers are unwilling to sell in anticipation of next season's wool costs.

Review of the 1948-49 Season

Perhaps the dominant feature of the past marketing season has been the erratic purchases made by some of the major consuming countries. This is possibly due to political rather than economic factors. The season has been marked by periods of sharply fluctuating prices. After opening on a strong note, with prices 5 to 10 percent higher than at the close of the previous season, prices receded for some types as much as 20 percent, after immediate needs were filled. In those countries where prices remained high because of government controls, activity was relatively slow during this period of declining prices on the world market. By early December, the loss had been regained and prices continued to increase until February when the postwar peak in prices were reached. Prices remained fairly steady, with good movement until the middle of April when a sharp drop of about 20 percent took place. This drop probably represents the end of the steady postwar trend toward rising prices; however, some of this loss was regained as the season closed.

Wool prices in Australia increased steadily from the opening of the season in September to the end of February. A marked increase was evident from December through February; however, offerings were of exceptional quality during this period. In the latter half of March prices showed a downward tendency which continued through April. During the last sales of May the market firmed at the lower levels established in April with some tendency upward.

Comparative prices (cents per pound)

	Greasy wool	
	1947-48	1948-49
September	42.0	60.3
October	45.9	55.9
November	51.6	68.5
December	52.6	74.6
January	56.5	75.0
February	60.7	75.8
March	53.9	70.7
April	53.7	62.2
10-month average	51.6	67.4

The average price for the first 10 months of the 1948-49 Australian season was 30 percent higher than for the same period of the 1947-48 season.

Prices for wool in the Union of South Africa opened 5 to 10 percent higher last September than for the closing sales in the June 1947-48 season. After a month and a half of widely fluctuating prices, the market finally settled in October and a steady increase was noted throughout January, at which time the average price was 33 percent above January 1947-48.

Average price for the first 9 months was $.60 compared with the 1947-48 average of $.43.

New Zealand prices rose from the beginning of the marketing season in November until early February, at which time prices declined substantially on all lines. Prices subsequently firmed in April at about 20 percent less than January prices. The average price for the season will probably be slightly higher than the 1947-48 average of 42.5 cents per pound.

The Argentine wool market has remained consistently at high levels this past season. Volume of trading has been low, however, due to the prices being higher than world levels. Prices in March were lower than at any time since the new season began in October 1948, but have shown moderate recovery since that time.

The 1948-49 wool marketing season in Uruguay opened in October with good demand at high prices. As the season progressed, demand dropped off and the market was practically paralyzed by February. Exports for the first 6 months were down 26 percent below the same period for the 1947-48 season. This was due mainly to unrealistic pricing, as prices were approximately 30 percent above world levels. In recent weeks trade has been resumed at prices about one-third less than the peak reached early this year and about one-fifth lower than at the same time last year.

CANADIAN FEEDER AND SLAUGHTER CATTLE EXPORTS BELOW PREWAR

Exports of feeder and slaughter cattle, including calves, from Canada to the United States for the first 6 months of this year continue at a moderate rate. Through June 29, these exports, according to Canadian sources, totaled 103,690 head, compared with 119,791 head, the average for a similar period in 1936-40. No exports of these classes were made in the first half of 1948 as the Canadian wartime embargo was not lifted until August 16, 1948.

As indicated by the December 1, 1948 estimate of cattle numbers in comparison with a year earlier, the large volume of exports of such cattle in the last 20 weeks of 1948 and the relatively high level of domestic meat consumption in Canada cut materially into Canadian cattle reserves. The slowing up of exports to the United States in the January-June period of this year is further evidenced of depletion in herds. The number of cattle slaughtered and exported in 1948 totaled 3.9 million, the second largest on record. Canadian cattle numbers, according to the December 1 summary, were 7.7 percent below a year earlier. The downward trend in numbers has continued since June 1945.

Further analysis also indicates that in 4 out of 7 years, during the 1936-42 period, the January-June exports exceeded those of the last half of the year. Only in 1938 and 1941 did July-December exports materially exceed those of the first 6 months. On December 1, 1940 there were 8,316,000 head of cattle in Canada. This is slightly above the level of 8,251,000 head reported as of December 1, 1948. In 1941 cattle exports to the United States totalled 223,000 head, of which 88,000 were exported in the months January-June. Allowing for some increase in

Canada: Exports of slaughter and feeder cattle, including calves, to the United States from January 1 through June 29, 1949. 1/

Week ending	Beef cattle over 700 lbs.			Beef cattle, 200 - 700 lb.			Weekly total	Accumulated total	Calves	
	Immediate slaughter	Feeder steers and spayed heifers	Grade females, beef breeds, fully tested	Immediate slaughter	Feeder steers and spayed heifers	Grade females, beef breeds, fully tested			Weekly total	Accumulated total
1949	Number	Number	Number	Number	Number	Number	Number	Number	Number	Number
January 5	1,220	81	--	4	--	1	1,306		276	
January 12	1,996	254	1	223	4	1	2,479	3,785	569	845
January 19	1,493	543	8	169	2	--	2,215	6,000	213	1,058
January 26	607	111	--	235	--	--	953	6,953	146	1,204
Feb. 2	1,255	121	--	151	--	--	1,527	8,480	211	1,415
Feb. 9	1,014	--	--	178	--	--	1,192	9,672	266	1,681
Feb. 16	598	--	--	4	--	--	602	10,274	204	1,885
Feb. 23	1,543	--	--	215	--	--	1,758	12,032	234	2,119
March 2	1,411	131	--	167	--	--	1,709	13,741	147	2,266
March 9	1,863	656	--	87	--	--	2,606	16,347	230	2,496
March 16	2,718	586	--	130	223	--	3,657	20,004	214	2,710
March 23	2,707	985	--	174	268	10	4,144	24,148	466	3,176
March 30	2,179	456	--	223	383	46	3,287	27,435	593	3,769
April 6	1,002	470	15	63	423	5	1,978	29,413	542	4,311
April 13	1,866	462	--	657	218	61	3,264	32,677	1,254	5,565
April 20	2,108	497	--	820	163	21	3,609	36,286	2,318	7,883
April 27	2,026	46	--	542	233	26	2,873	39,159	1,413	9,296
May 4	1,438	39	25	1,473	104	--	3,097	42,238	2,105	11,401
May 11	1,163	96	3	938	207	53	2,460	44,698	1,719	13,120
May 18	1,850	36	184	802	8	14	2,894	47,592	1,147	14,267
May 25	2,444	20	10	274	408	98	3,254	50,846	1,482	15,749
June 1	3,267	236	17	503	351	99	4,473	55,319	1,909	17,658
June 8	6,049	514	--	364	324	122	7,373	62,692	1,202	18,860
June 15	6,372	797	--	911	567	32	8,679	71,371	1,242	20,102
June 22	4,785	499	9	516	193	119	6,121	77,492	817	20,919
June 29	4,486	91	1	166	46	32	4,822	82,314	457	21,376

1/ Official Canadian sources.

Office of Foreign Agricultural Relations domestic requirements in Canada in 1949 over that in 1941, it is unlikely that Canada will export much in excess of 100,000 head in the last half of 1949, bringing the total for the year to around 200,000 head. The actual export, however, will depend upon the extent to which Canadian farmers choose to reduce cattle inventories.

The preceding table gives the weekly exports of feeder and slaughter cattle to the United States up to and through June 29 of this year.

NEW ZEALAND-UNITED KINGDOM CHEESE, BUTTER AND DRIED MILK CONTRACT

The trade negotiations between the United Kingdom and New Zealand have provided for dried milk product agreement in addition to the previous butter and cheese contracts. The new dried milk contract which will be effective from August 1, 1949 to July 31, 1955, is similar to the butter and cheese agreement in that the price is to be set annually within the limits of a 7½ percent adjustment up or down.

The United Kingdom granted New Zealand the full 7½ percent rise in price for both butter and cheese to be bought during the 1949-50 season, which will be the highest price ever paid by the United Kingdom to New Zealand for dairy products. The higher prices were granted on the basis of increased costs of production. The quantities and prices agreed upon for the 1949-50 season are as follows:

Product	Maximum Quantity (annually) Metric tons	Price cents per lb.
Skim spray powder (tins and boxes)	18,300	13.8
Skim roller powder (in bags)	5,000	11.6
Buttermilk powder (in bags)	6,600	10.7
Butter	exportable surplus	45.0
Cheese	" "	25.3

Export gradings during the 10-month period ending May 31, 1949 totaled 143,734 metric tons for butter, and 93,145 metric tons for cheese. These represent increases of 10.5 and 14.1 percent respectively, over the similar period a year previous. Total milk production for the period ending May 31, 1949 was 10.5 percent over the same period a year earlier.

CUBANS DRAFT DECREE FOR DUTY-FREE ENTRIES OF FRESH EGGS

The Cuban Cabinet Council approved a draft decree permitting duty-free entry of eggs beginning July 15 instead of the previously determined date of August 1, because of the current shortage of fresh eggs.

DENMARK-UNITED KINGDOM NEGOTIATE EGG CONTRACT

The United Kingdom Ministry of Food and the Danish Egg Export Committee have improvised a 2-year agreement in which Denmark will ship annually 85 percent of its exportable eggs to the United Kingdom. The newly negotiated contract will be effective October 1, 1949 when the current agreement which provided for the same export percentage will expire.

The new average yearly price has not been disclosed, but is expected to be somewhat lower than 26 shillings per 120 eggs which was the average for 1948-49 and will be influenced by quality and quantity of eggs sold. The recent negotiation stipulates a different price for each of the 4 seasons of the year. The new contract will probably provide for more eggs than last year as the expected available supply for export during 1949-50 will be larger. Exports during the calendar year 1948 were about 50 percent of the prewar mark of 1,714 million eggs.

BURMA AMENDS PRESERVED MILK AND CREAM TARIFF

The reported tariff amendments in Burma revised upward preferred duty rates enjoyed by the United Kingdom, India and Pakistan on condensed or otherwise preserved milk and cream. The standard rate of duty is 35 percent ad valorem with new preferred rates for the United Kingdom, India and Pakistan of 27½, 20, 20 percent, respectively. The amendments were put into force on June 21, 1949.

NORWAY DE-RATIONS EGGS AND CERTAIN CHEESES

The improved food situation of Norway permitted de-rationing of eggs and certain types of cheese on June 7 and the improved supplies of butter and fluid milk are sufficient for domestic needs. The output of cheese is expected to approach prewar levels this year. However, most of the optomism is occurring during a seasonal increase in production and the abundance may disappear as the season progresses.

FATS AND OILS

CANADIAN FLAXSEED ACREAGE DROPS TO PREWAR LEVEL

Canada's first official estimate for 1949 flaxseed is 335,000 acres, 31 percent below the forecast of farmers' intentions to plant, and the smallest acreage since 1939. The corresponding estimate for last year was 1,938,000 acres. An official estimate of production will not be released until the middle of August.

The condition of the crop for all Canada on June 30 indicated a yield of only 80 percent of the long-time average of 8 bushels per acre. On this basis, 1949 production may be less than 2,500,000 bushels, compared with 17,353,000 bushels produced in 1948. In Manitoba, however, where about half of this year's flaxseed is planted, the condition on June 30 was 91 percent.

Canada's 1949 flaxseed outturn will not be sufficient to meet domestic requirements but a large carry-over from previous crops assures ample supplies and an exportable surplus. Commercial stocks at the end of June totaled 10,536,000 bushels.

The Government will not support the price of flaxseed from the 1949 crop, but has asked the Canadian Wheat Board to conduct a voluntary pooling arrangement for the purchase of flaxseed during the 1949-50 crop year. The initial payment will be $2.50 per bushel basis No. 1, C.W. flaxseed in store Fort William or Port Arthur with appropriate prices for lower grades.

UNION OF SOUTH AFRICA'S MARGARINE PRODUCTION INCREASES

Margarine production in the Union of South Africa increased from less than 200,000 pounds a month in March 1948 to over 1,100,000 pounds in March of this year. The reason for the rise is that vegetable oil-seed crops, including peanuts and sunflower seed, have increased so much in the last few years that production has begun to exceed domestic consumption. The increase in margarine manufacture is expected to reduce the vegetable oil surplus to the extent that little or none will be exported.

The Minister of Agriculture informed the Union's 4 margarine manufacturers during the last week in March that production could be increased from an annual rate of 7,000,000 pounds to 12,000,000. The 1 firm in Johannesburg, 1 in Durban, and 2 firms in Capetown are on the quota production basis. If the production of peanuts and sunflower seed continue upward as present support prices indicate they might, then there may be a further increase in margarine production. However, the dairy industry in the Union is actively opposed to further increases. The dairy industry does not seem to be opposed to the production of margarine within certain limits, provided it is controlled by the Dairy Industry Control Board. The industry contends that margine should be sold only to those individuals needing a cheaper commodity containing fat and who find butter too expensive.

UNION OF SOUTH AFRICA: Production of margarine by months, 1948 and first quarter 1949

MONTH	1948	1949
January	157,000	543,175
February	72,875	665,600
March	196,525	1,107,024
April	247,450	-
May	295,258	-
June	472,300	-
July	410,475	-
August	550,804	-
September	659,579	-
October	593,275	-
November	896,843	-
December	821,550	-
Total	5,373,934	-

American Embassy, Pretoria.

Margarine is available only to the lower income groups at one shilling four pence ($.2667) per pound. The manufacturers receive one shilling and six pence ($.30) per pound and the difference between the manufacturers' and consumers' prices, plus the cost of distribution, is subsidized by the Government. Margarine is sold through mobile food depots in the principal marketing centers of the country. A Salisbury firm is expected to begin margarine production shortly. According to press reports, the margarine will be available to consumers in unlimited quantities. Margarine produced in South Africa is presently available in Southern Rhodesia in unrationed quantities.

LIBERIAN EXPORTS OF PALM OIL AND PALM KERNELS INCREASE

Good prices together with added transportation facilities have stimulated the production of palm oil and kernels throughout Liberia in recent years. Areas showing the greatest increases were the Central and West Provinces and Grand Bassa County. The 1948 exports were approximately 6 times the quantity and 5 times the value of the preceding year (see table). The Netherlands, France and Denmark received large shipments of palm kernels from Liberia. Only small quantities of palm kernel oil are used for domestic consumption.

A quality improvement program has been established for palm kernels and for palm oil. For palm kernels, this program, approved by the Liberian Government, provides for inspection services at each port. To improve the quality of palm oil for future exports, the Liberian Department of Agriculture and Commerce, aided by the U.S. Economic Mission, is fostering a quality improvement program throughout the Republic. If the program is carried out, according to its intent and purpose, it is believed that both Liberian palm kernels and palm oil will command premium prices. Grades and standards already have been established and approved by the Liberian Government. Inspectors, trained by the U.S. Economic Mission, will be stationed at each outgoing port.

LIBERIA: Exports of palm kernels and palm oil
by country of destination, 1947 and 1948

Country	Palm Kernels				Palm Oil			
	1947		1948		1947		1948	
	Short tons	Dollars	Short tons	Dollars	Gallons	Dollars	Gallons	Dollars
United States	-	-	-	-	38,522	31,385	14,575	20,720
Netherlands	3,019	342,748	11,413	1,499,325	228,571	154,705	759,825	717,051
British West Africa	372.8	25,092	724	53,517	384	402	275	886
United Kingdom	125	8,093	38	4,113	27,040	15,652	-	-
France	-	-	2,273	365,147	-	-	-	-
Belgium	-	-	92	13,124	-	-	-	-
Denmark	-	-	2,335	366,783	-	-	-	-
Germany	-	-	310	41,287	-	-	-	-
Czechoslovakia	-	-	42	6,094	-	-	-	-
Other	-	-	336	54,000	-	-	-	-
Total	3,516.8	475.933	17,563	2,403,390	294,517	202,144	774,675	738,657

Hyphen (-) indicates no exports reported.

American Embassy, Monrovia.

Exports of palm oil in 1948 were over two and one-half times the volume and more than 3 times the value of the preceding year. In 1948 the United States again ranked second to The Netherlands in the importation of palm oil from Liberia. Prices continued good throughout 1948 and production increased with the aid of regular transportation both along the coast and into the interior of the Central Province, thus opening up new palm oil areas. Prices averaged 90 cents per gallon as compared to 75 cents in the preceding year.

The Liberian Department of Agriculture and Commerce in the last 2 years (1947-48) with the assistance of the U.S. Economic Mission, has fostered coconut projects in Grand Bassa, Sinoe and Maryland counties. These projects have developed a great deal of interest in their respective areas, the results of which have been the planting of some 500,000 new scions. With the continuance of these substantial plantings over a 5-year period, it is anticipated that Liberia eventually will have a surplus of coconuts for export. Liberia's present coconut belt stretches along the upper and lower Kru Coast District for a distance of some 200 miles. Approximately 1 million bearing trees comprise this belt and, with few exceptions, yields are used principally for domestic consumption.

COTTON AND OTHER FIBER

COTTON-PRICE QUOTATIONS ON FOREIGN MARKETS

The following table shows certain cotton-price quotations on foreign markets converted at current rates of exchange.

COTTON: Spot prices in certain foreign markets, and the U.S. gulf-port averages

Market location, kind, and quality	Date 1949	Unit of weight	Unit of currency	Price in foreign currency	Equivalent U.S. cents per pound
Alexandria		Kantar	Tallari		
Ashmouni, Good	7-26	99.05 lbs.	"	45.00	37.55
Ashmouni, F.G.F.	"	"	"	42.25	35.25
Karnak, Good	"	"	"	(not	quoted)
Karnak, F.G.F.	"	"	"	(not	quoted)
Bombay		Candy			
Jarila, Fine	7-27	784 lbs.	Rupee	620.00	23.86
Broach, Fine	"	"	"	650.00	25.01
Karachi		Maund			
4F Punjab, S.G., Fine	"	82.28 lbs.	"	86.00	31.53
289F Sind, S.G., Fine	"	"	"	92.00	33.73
289F Punjab, S.G., Fine	"	"	"	92.00	33.73
Buenos Aires		Metric ton			
Type B	7-28	2204.6 lbs.	Peso	4000.00	54.03
Lima		Sp. quintal			
Tanguis, Type 5	7-27	101.4 lbs.	Sol	(not	quoted)
Pima, Type 1	"	"	"	(not	quoted)
Recife		Arroba			
Mata, Type 4	7-28	33.07 lbs.	Cruzeiro	200.00	32.90
Sertao, Type 5	"	"	"	190.00	31.26
Sao Paulo					
Sao Paulo, Type 5	"	"	"	198.00	32.58
Torreon		Sp. quintal			
Middling, 15/16"	"	101.4 lbs.	Peso	185.00	21.09
Houston-Galveston-New Orleans av. Mid. 15/16"	"	Pound	Cent	XXXXX	31.17

Quotations of foreign markets reported by cable from U. S. Foreign Service posts abroad. U. S. quotations from designated spot markets.

RECORD COTTON CROP EXPECTED IN MEXICO

Private estimates of the 1949 cotton crop now being picked in Mexico range from 723,000 to 764,000 bales of 500 pounds gross weight. This is 27 to 34 percent above last year's record crop of 570,000 bales (revised). Drought in May (the latter part of the growing period) was not detrimental to the cotton crop.

In the Matamoros district, the principal exporting area, a 1949 crop of at least 250,000 bales and possibly 300,000 is expected, compared with the 1948 crop of 140,000 bales. Production in the Laguna district may be slightly under last year's crop of 192,000 bales. The Mexicali crop is expected to increase from 105,000 bales in 1948 to 117,000 in 1949. Small increases were reported from practically all other areas.

There are no export restrictions now in effect but export taxes total about 20 percent. The basic export tax of 2 percent and a surtax of 15 percent are computed on official valuations of 4.69 pesos per kilogram 24.59 cents a pound) for grades Strict Low Middling and above, and 3.04 pesos (15.94 cents) for the lower grades. In addition there is a mercantile tax of 1.8 percent assessed on the gross sales receipts. Also there are state and municipal taxes on cotton, the exact amounts of which are fixed after consultation with local authorities.

The exportable surplus from the new crop is forecast at about 450,000 bales, more than half of which will be drawn from the Matamoros district. The price of Middling 15/16 inch cotton as quoted at Torreon about the end of June was 197 pesos per Spanish quintal (22.43 cents a pound). Prices of United States cotton at Gulf ports at this time averaged around 32 cents. A major part of the difference is made up of Mexican export taxes and cost of transportation to United States ports through which nearly all cotton exports from Mexico usually pass.

Requirements for domestic mills now average about 23,000 bales monthly and on this basis would total about 275,000 bales for the year. The carry-over of 1948 cotton at the end of June 1949 amounted to about 100,000 bales.

Mexican textile mills have not been able to compete in the export market during the past year and are now burdened with heavy stocks of high-cost cotton goods. Labor costs are low, however, [equivalent to (U.S.) 40 cents to (U.S.)$1.05 per day] and largely as a result of the export taxes, prices paid by Mexican spinners for cotton are 27 to 35 percent less than those paid by spinners in the United States, Canada, and western Europe. Importation of many types of textile articles into Mexico is now prohibited by a decree issued on June 21, 1949. Currency depreciation, government subsidies, and barter agreements are expected to provide some stimulation for revival of export trade in cotton textiles. High-cost production is attributed in part to the fact that much of the mill machinery is very old and inefficient.

GRAINS, GRAIN PRODUCTS AND FEEDS

CANADIAN GRAIN ACREAGE INCREASED

Canada's preliminary estimate of grain acreage shows a net gain of 2 million acres over the 1948 acreage. The increase is almost entirely in the wheat acreage, with a very minor increase in oats, some decline in barley and a sharp cut in rye acreage. Estimates are based on returns from the annual June survey of field crops except for Quebec, where the survey has not been completed.

Wheat acreage is set at 27.5 million acres, an increase of 3.5 million acres, or 14 percent over the 1948 area. Of the total for the Country, 26.5 million acres are reported for the 3 Prairie Provinces. At that figure, farmers' intentions to plant have been exceeded by a half million acres, despite unfavorable seeding conditions in some areas.

Conditions of the wheat crop was estimated at 72 percent of the long-time yield per acre, compared with a condition of 95 percent a year earlier. Based on that condition figure, yields would be expected to average only about 11.5 bushels per acre, compared with last year's yield of 16.3 bushels. It is noted, however, that considerable change in condition ordinarily takes place after June 30 and this can be taken only as a rough indication of probable yields. If yields were at the present indication, however, an outturn of about 315 million bushels would result, compared with the wheat crop of 393 million bushels in 1948.

Substantial wheat increases are reported in each of the Prairie Provinces. Increases of about 1.3 million acres are seen for both Saskatchewan and Alberta. While the increase of 0.8 million acres for Manitoba is less than expansion in the other two Provinces, it represents a larger proportionate increase.

Little net change is reported in the oats acreage, compared with 1948 acreage. Increases, principally in Ontario and Manitoba, are largely balanced by declines in Saskatchewan and Alberta. The condition of the crop on June 30 was placed at 81 percent of the long-time yield per acre, which is about the same as the condition on that date of 1948.

Barley acreage shows a small decline compared with the 1948 acreage. Reductions in, Saskatchewan and Alberta, as was the case for oats, indicate a shift from coarse grains to wheat. Losses in barley acreage in these two Provinces were about a half million acres greater than increases in other Provinces. The condition of the barley crop at the end of June was 76 percent compared with 78 percent a year earlier.

Rye acreage was sharply cut in all Provinces of any importance in rye culture. The acreage for Canada as a whole was reported at 1.2 million acres, only 56 percent of the 1948 acreage of 2.1 million. Saskatchewan accounts for a half million acres of the reduction and Alberta for an additional 0.3 million acres. Condition of rye was reported at only 54 percent of long-time yields on June 30, compared with 78 percent a year earlier.

Canada: Seeded acreage of principal grain crops and summer-fallow, 1949 with comparisons a/

Province	Wheat	Oats	Barley	Rye	Summer-fallow
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres
Quebec					
1949	24	1,409	149	13	-
1948	24	1,381	144	13	-
1949 as percent of 1948	100	102	103	100	-
Ontario					
1949	854	2,125	237	100	-
1948	911	1,836	226	124	-
1949 as percent of 1948	94	116	105	80	-
Manitoba					
1949	3,167	1,703	1,699	46	2,156
1948	2,397	1,491	1,540	115	2,056
1949 as percent of 1948	132	114	110	40	105
Saskatchewan					
1949	15,737	3,381	1,800	690	12,686
1948	14,389	3,652	2,316	1,238	11,736
1949 as percent of	109	93	78	56	108
Alberta					
1949	7,586	2,255	2,118	325	6,116
1948	6,259	2,392	2,226	612	6,199
1949 as percent of 1948	121	94	95	53	99
Other provinces					
1949	161	454	46	1	-
1948	125	448	43	1	-
1949 as percent of 1948	129	101	107	100	-
Canada					
1949	27,529	11,327	6,049	1,175	20,958
1948	24,105	11,200	6,495	2,103	19,991
1949 as percent of 1948	114	101	93	56	105

From reports of the Dominion Bureau of Statistics.

a/ Preliminary estimate.

Along with the increased grain acreage in Canada, an increase of about a million acres is reported in summer-fallow. Virtually all of this increase took place in Saskatchewan, where substantially increased acreage in wheat and summer-fallow is balanced by declines in coarse grains and flaxseed.

WORLD PEACH CROP---(Continued from Page 111)

Peach production in Europe is indicated to be 19.9 million bushels, with Italy, France and Spain producing 85 percent or 4.5, 9.2, and 3.3 million bushels respectively. The current crop in Italy, indicated to be 9.2 million bushels, compares with 8.8 for 1948 and 11.0 prewar. Frost damage to peach trees in France was not serious and the current crop will probably be 50 percent higher than the 1948 crop or the prewar average of 3.0 million bushels. Spain with 3.3 million bushels indicated, is a little higher than last year's crop of 3.0 million and the 1935-39 average of 2.6 million.

The indicated crop in Asia is estimated at 2.2 million, as compared with 2.1 million for 1948 and 2.8 prewar. Argentina has an indicated crop of 6.5 million, about the same as last year but about twice the size of the crop prewar. The crop in Africa indicated at half a million is about normal. Production in Australia will probably be about the same as in 1948 and a little more than prewar.

LATE NEWS

(Continued from Page 104)

Italy's 1949 crop of hemp fiber is expected to reach nearly 181 million pounds from 168,000 acres planted for both fiber and seed, according to preliminary unofficial estimates. This would be the largest crop of hemp fiber since the war if the yield is as great as expected. Previous areas and yields are 169.4 million pounds of fiber from 157,000 acres in 1948, and 134.9 million pounds from 148,000 acres.

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An Egyptian-Yugoslav trade agreement, signed on July 12, 1949 provides for the exchange of 11,500 metric tons (53,000 bales of 500 pounds gross) of Egyptian cotton and unspecified amounts of cotton yarn, salt, phosphates, manganese, and other products for Yugoslavian corn, timber and some lesser items. Yugoslavian agents are authorized to buy quantities of extra long staple cotton on the open market, equivalent in value to the foregoing Yugoslavian products. This is estimated at about 700,000 Egyptian pounds ($28,923,000).